

VZCZCXYZ2844
PP RUEHWEB

DE RUEHPE #1498/01 2791933
ZNY CCCCC ZZH
P 061933Z OCT 09
FM AMEMBASSY LIMA
TO RUEHC/SECSTATE WASHDC PRIORITY 1329
INFO RUEHBO/AMEMBASSY BOGOTA PRIORITY 0027
RUEHBR/AMEMBASSY BRASILIA PRIORITY 8562
RUEHLP/AMEMBASSY LA PAZ OCT 5315
RUEHQT/AMEMBASSY QUITO PRIORITY 0041

C O N F I D E N T I A L LIMA 001498

NOFORN

SIPDIS

STATE FOR INL/LP AND WHA/PPC

E.O. 12958: DECL: 10/05/2019
TAGS: [SNAR](#) [KCRM](#) [ASEC](#) [PREL](#) [PE](#)
SUBJECT: LIMA NAS MONTHLY REPORT - SEPTEMBER

REF: A. LIMA 1299
[1](#)B. LIMA 01454

Classified By: NAS Director Aberlado A. Arias for reasons 1.4 (b) and (d).

- 1.(C) Summary:
- New Book Maps Drug Trafficking in Peru
 - Shining Path Shoots Down Helicopter in the VRAE
 - Eradication Operations Move to Tingo Maria - meet some resistance
 - NAS Deputy Meets with DEVIDA
 - Aviation Report
 - Police Program Report
 - Ports/Maritime Program Report
 - Eradication Report
 - Anti-Money Laundering Update
 - Peru Increases Reward for Information on Terrorists
 - GOP Narrows Kerosene Law Ban to just VRAE

New Book Maps Drug Trafficking in Peru

2.(U) The recently released book entitled "A Map of Drug Trafficking in Peru" published by the Institute for International Studies at the Catholic University has drawn significant attention to the pervasiveness of illicit cultivation of coca in Peru. The findings about the predominance of coca in the agricultural economy of the Department of Hu nuco, for example, have helped make clear the links with drug trafficking and weakened pro-coca arguments. It has also spurred a debate among experts and policy makers with its assertion that Peru is now the number one cocaine exporter in the world, surpassing Colombia. According to the report, Peru exported more cocaine than Colombia in 2008, though Colombia produced more cocaine. According to their calculations, in 2008, Colombia produced 430 metric tons (mt) of cocaine and Peru produced 302mt. However, Colombian authorities seized 198 mt while Peruvian authorities only seized 20 mt. Thus Colombia had 232 mt available for export while Peru had 282 mt available for export.

Shining Path Shoots Down Helicopter in the VRAE

3.(C) On September 2, presumed Shining Path (Sendero Luminoso, SL) forces downed a Peruvian air force (FAP) MI-17 helicopter killing the pilot and co-pilot. The MI-17 was on a mission to recover three wounded Peruvian military personnel. Initial reporting suggested the aircraft was brought down by a rocket propelled grenade but this was later found to be false. NAS UH-2's were requested to assist in the recovery mission but NAS denied the request due to the weather conditions, altitude, the danger of being shot down, and the

fact that the GOP had its own assets available. (REF A)

Eradication Operations Move to Tingo Maria - meet some resistance

14. (SBU) After many years of operations from the Peruvian National Police (PNP) base at Santa Lucia, San Martin department, NAS officially moved all operations 59 miles south to Tingo Maria beginning September 19. During the move of 700 personnel and 64,000 pounds of cargo over a seven-day period, the Peruvian coca eradication agency (CORAH) continued operations, first on the east side of the Huallaga River then on September 22 into the coca-rich stronghold referred to as "Bolson Cuchara" 14 miles northwest of Tingo Maria. Coca growers responded over the past week with repeated demonstrations and violence. Police have effectively repulsed the demonstrations. On one occasion police wounded five some protesters, one of whom later died. Three days later, police shot and killed a person protecting a maceration pit after the person wounded eradicator with a shotgun blast. Several cocallero organizations met on September 27 and agreed to call for a general indefinite strike beginning October 5. (REF B)

NAS Deputy Meets with DEVIDA

5.(C) NAS Deputy Director met with Jorge Valencia, supply side director in the National Commission for Development and Life without Drugs (DEVIDA) September 18. Valencia complained that he felt the annual letter of agreement between the USG and GOP on counter-narcotics assistance was not the result of a consultative process but "more of a dictation to the Peruvian government". NAS Deputy explained that the USG has no interest in dictating the terms of USG assistance and has always been interested in full partnership with the GOP in fighting drug trafficking. He reminded Valencia that NAS was currently discussing a new agreement with the Ministry of Foreign Affairs (MFA) and now is the perfect time for all interested GOP agencies to make their desires and concerns known to the MFA who has the lead on this issue. Valencia also complained that various GOP agency requests for NAS assistance are not funneled through DEVIDA. He hinted that NAS should insist that requests only come from DEVIDA. NAS Deputy responded that this was really an internal GOP issue. Much like other GOP counterparts, Valencia took the opportunity to lament the decline in USG counter-narcotics assistance, especially in the area of alternative development. Asked about the GOP's eradication strategy and goals for the coming years, Valencia admitted that the GOP has not developed a long-term strategy or goal for eradication. He also bemoaned the lack of appropriated funding in 2009 from the GOP for DEVIDA's pet project known as the "Rapid Impact Plan" aimed at assisting rural, coca growing areas, though he is confident it will change in 2010.

Aviation

16. U) The FAP C-26 equipped with FLIR participated in the DEA sponsored yearly exercise "All Inclusive" on the northern coast of Peru by conducting reconnaissance missions for the exercise. This experience was a successful experiment in coordination and integration of the FLIR with other GOP assets.

Police Bases Support

17. (U) NAS Director and Deputy visited Mazamari and Palmapampa September 30 with DIRANDRO General Teddy Bartra and DIRAVPOL General Tomas Guibert to review base infrastructure needs. Because of infrastructure problems at the PNP base at Palmapampa, most recently with the water and sewage systems, the five helicopters and personnel were moved to Mazamari. NAS efforts to have the PNP assume greater responsibility for the base, such as linking it to the town's electrical grid and water system, have brought operational deficiencies to the surface. NAS therefore has asked CORAH engineers to perform a facilities assessment on Palmapampa and other bases, each looking at both immediate and long term

needs. Our intention is to establish a baseline to be used in discussions with the GOP for its takeover of the bases that NAS supports by 2011, in line with IL nationalization goals.

Police Programs Report

8.(U) Nearly sixty percent of all the students coming out of the NAS-sponsored police pre-academies in 2009 have been accepted into the PNP Anti-Drug (DIRANDRO) police academies in Ayacucho, Santa Lucia and Mazamari. This is an improvement from last year's results where only thirty percent of the graduates were passing the entrance exams to enter the police academies. The improvement is due largely to a restructuring of the pre-academy academic curriculum.

9.(U) PNP seizure results for the month of September: one metric ton of chemical precursors; 15.5 kilograms of cocaine paste; 27 rustic laboratories (25 in the VRAE and two in the Huallaga); 25 weapons, ammunition, and destroyed four hectares of marijuana.

Ports/Maritime Program Report

10.(U) Peruvian Coast Guard Director, Rear Admiral Carlos Weston met with the NAS Director and Deputy September 16 to request assistance in the establishment of a maritime intelligence center based in Lima. Weston explained the purpose of the center would be to collect, analyze, and store data on ships entering and departing Peruvian waters as a means to detect maritime shipments of illegal narcotics - currently the preferred method of export for most Peruvian drug traffickers. Lima DEA subsequently agreed to fund USD 100,000 of the proposed USD 129,000 cost of the center. NAS is waiting for a written proposal of the remaining costs for the unit, but is inclined to support.

11.(U) Peruvian customs (SUNAT) counterdrug interdiction units seized the following during the month of September: 4.3 metric tons of cocaine HCL at the Callao seaport; 92.3 kilos of cocaine HCL at Jorge Chavez International Airport; 23 kilos of HCL at the Port of Paita; 11.2 kilos of HCL at the International Post Office (SERPOST); and provided two international alerts resulting in the seizure of 145.7 kilos of HCL.

12.(U) SUNAT demonstrated its growing capacity for international cooperation through two significant cases this month. The first involved five Mexican citizen internal carriers who were transiting Lima from Bolivia and who were arrested upon arrival in Mexico City due to a Peruvian alert, resulting in the seizure of 3.74 kilos of cocaine. In the second case, SUNAT alerted Canadian authorities to the presence of cocaine inside two sea-going containers carrying wood to Canada resulting in the seizure of 142 kilos of cocaine HCL.

13.(U) Other cases of note for the month of September include the following: the detection by SUNAT canine units of 23 kilos of cocaine HCL bricks inside the door panels of an Ecuadorian truck in the vicinity of the Port of Paita; the SUNAT Special Operations Brigade seized 4.3 metric tons of liquid cocaine hidden in 83,520 artichoke cans discovered by the NAS trained canine units and NAS provided ion-scan; SERPOST seized three 8,000 counterfeit USD destined for the US and 4,900 counterfeit USD headed for Costa Rica; and the arrest of 18 internal carriers at Jorge Chavez International Airport.

Eradication Report

14.(U) CORAH eradicated 662.03 hectares of illegal coca in the Hu nuco Region bringing the yearly total to 7,022.09 hectares. The PNP uncovered and destroyed 14 maceration pits and one cocaine lab while protecting CORAH eradication workers.

15.(U) On September 1, CORAH completed a seven-day operation

in the Yanajanca region where there is a large and persistent presence of organized drug trafficking elements. The successful and uneventful completion of eradication in this area is significant because it marks a dramatic change from the last eradication effort in this area in 2007 where an eradicator was killed and five PNP wounded by enemy gunfire.

Anti-Money Laundering Update

¶16. (U) On September 9, DEVIDA publicly released a NAS-sponsored report on Money Laundering in Peru. (Details of report SEPTTEL) In addition to making recommendations as to how to improve the anti-money laundering structure in Peru, the report highlighted the mass sums of money, both foreign and domestic, being laundered through the Peruvian financial sector and the fact that no entity knows the exact amount. The report generated national and international press as it was the first of its kind to be publicly released in recent memory.

Peru Increases Reward for Information on Terrorists

¶17. (U) On September 10, the Prime Minister's Office (PCM) issued Supreme Decree 057-2009-PCM increasing the reward for information leading to the capture of a terrorist to 500 soles and a million soles for the capture of a terrorist leader.

GOP Narrows Kerosene Law Ban to just VRAE

18.(U) The PCM issued a modified version of its Supreme Decree prohibiting the sale of Kerosene and Diesel 1. Under the modified decree, the ban on Kerosene and Diesel 1 has been narrowed from a nationwide ban to one that applies only in the VRAE zone.

MCKINLEY